put some teeth and power behind the words: All men; and we should say all men and women; are created equal.

It is now time for us to take an additional step in that direction by attaching the Hate Crimes Prevention Act to the Commerce, Justice and the State appropriations bill. This act will make the intent of Congress clear and will put power behind the words that we will not tolerate hate crimes.

In conclusion, Dr. King said:

Injustice anywhere is a threat to justice everywhere.

Let us make our voices loud and clear; let us put power behind our words.

ANNOUNCEMENT OF INTENTION TO OFFER A MOTION TO INSTRUCT CONFEREES ON H.R. 1501, JUVENILE JUSTICE REFORM ACT OF 1999

Ms. JACKSON-LEE of Texas. Mr. Speaker, pursuant to clause 7(c) of rule XXII, I hereby announce my intention to offer a motion to instruct conferees on H.R. 1501 tomorrow. The form of the motion is as follows:

I move that the managers on the part of the House at the conference on the disagreeing votes of the two houses on the Senate amendment to bill, H.R. 1501, be instructed to insist that the committee of conference should immediately have its first substantive meeting to offer amendments and motions including gun safety amendments and motions; and 2, the committee of conference report a conference substitute by October 20, the 6-month anniversary of the tragedy at Columbine High School in Littleton, Colorado, and with sufficient opportunity for both the House and the Senate to consider gun safety legislation prior to adjournment. H.R. 1501 is the Juvenile Justice Reform act of 1999.

The SPEAKER pro tempore. The form of the motion will appear in the RECORD.

PASS THE HATE CRIMES PREVENTION ACT AS QUICKLY AS POSSIBLE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentlewoman from Michigan (Ms. STABENOW) is recognized for 60 minutes as the designee of the minority leader.

Ms. STABENOW. Mr. Speaker, first, as we begin this evening, I want to associate myself with the comments of my colleagues this evening concerning Matthew Sheppard and all of those who have found themselves the victims of hate crimes and the great necessity to pass the Hate Crimes Prevention Act as quickly as possible.

This evening I am joining with colleagues to speak out in support of efforts to restore Medicare cuts that have been too deep and have gone on too long, and we have an opportunity in this session before we leave to fix it, and we need to do that as quickly as possible.

The Balanced Budget Act of 1997 included numerous cuts to Medicare payments, to health care providers, and the original intent was to slow the growth of the costs of Medicare by cutting approximately $115 billion over 5 years. Recently the Congressional Budget Office has projected, however, that Medicare spending has been reduced by almost twice that amount. Clearly Congress went too far.

These are not simply numbers that we are talking about. These are people, these are families, these are doctors and nurses trying to provide care, home health care providers, nursing homes that are trying to provide care, hospitals, teaching hospitals that are trying to make ends meet with cuts from the Federal Government that have gone too far.

Earlier this year 80 Members of the House joined me in sending a letter to the President asking him that as he put together his Medicare reform package that he not choose to cut Medicare further. I am very pleased that he heard our message and that in fact he did not choose to cut Medicare further but instead proposed restoring $7 billion worth of cuts. That is a good first step, but it is not enough for us to be able to truly solve the problem that faces our health care providers across the country.

Many of us have cosponsored numerous bills that seek to resolve specific problems that have arisen with the balanced budget agreement. Just this year I have cosponsored 10 bills myself that cover specific issues ranging from hospital outpatient prospective payment systems to the $1,500 cap placed on therapy services. My colleagues joining me tonight are deeply concerned and involved in this issue.

The sheer number of bills alone that have been introduced and cosponsored by people on both sides of the aisle should send a strong message to the leadership that we need to act now. Time is running out. For too many time has already run out, and shame on us if we do not act now.

Just today key members of the Committee on Ways and Means and the Finance Committee on the Senate side have introduced marks for legislation to mark up future bills. I am pleased that Senator DASCHLE has introduced a comprehensive bill that addresses a number of the issues we will speak to this evening.

Tonight is our opportunity to outline our priorities for what this legislation should address. Solving the balanced budget agreement concerns involves dollars, Federal dollars, but as I indicated earlier, we have seen more than twice the amount cut that is necessary for Medicare's portion of the balanced budget agreement, and we are now facing surpluses, we are debating surpluses over the next 10 years. For many of us, we have been fighting to put Social Security and Medicare first. We have an opportunity to do that, and an important part of putting Medicare first is to restore the cuts that have been made and provide an opportunity for people to receive the health care that they need and deserve.

□ 1845

Tonight we are going to talk about real pain that real people are suffering as a result of the deep cuts.

Let me take just a moment in each of the three major areas and then ask my colleagues to respond as well. Let me speak to Michigan. I have had an opportunity to travel across Michigan speaking to hospital providers, nursing homes, home health care providers. Michigan hospitals alone are expected to bear between $2.5 and $3 billion, not million, billion dollars in cuts as a result of the balanced budget agreement. That is a 10 percent cut in their Medicare reimbursements since 1997.

Now, to put that in perspective, 10 percent of the Medicare services to hospitals are providing in-patient care, persons staying overnight. We are talking about a 10 percent cut that could wipe out in-patient care in Michigan. Michigan is already suffering. Schoolcraft Memorial in Manistique, Michigan is suffering devastating losses of the VBA and they recently made the painful decision to close their maternity ward. Now, this is an area where now women are going to have to travel at least 50 miles, travel about an hour in order to deliver their babies. What if there is an emergency? What if that hour is too late?

I have talked with hospitals in Marquette, Michigan in the upper peninsula; in northern Michigan, in my hometown in Sparrow Hospital and the Medical Regional Center and down in the metropolitan area of southeastern Michigan, Detroit Medical Center, Henry Ford Health Systems. In fact, Henry Ford Health Systems located in Detroit announced recently just last week, in fact, that 1,000 employees not directly involved in patient care will be asked to voluntarily retire or will be laid off. One thousand employees, and we have discussions of hospitals, whole hospitals closing.

What is it that we need for our hospitals? We need to repeal the balanced budget agreement transfer provisions. I have cosponsored with colleagues H.R. 405 that would repeal the transfer provision. Currently, hospitals are not discharging patients to nursing homes because the paperwork and regulations are just too difficult. Secondly, we need to limit the reductions for outpatient care. This is a number one concern for hospitals, and I am pleased to

have cosponsored H.R. 2241 that would limit reductions to outpatient care.

We need to limit reductions for in-patient care as well, and I am pleased to have cosponsored H.R. 2266 with the gentlewoman from New York (Mrs. LOWEY) that would increase payments to hospitals for in-patient care. We need to provide more support for our rural hospitals in communities like Manistique that are feeling the need to close their facilities for delivering babies.

We need to increase Medicare's commitment to graduate medical education. Our esteemed colleague and ranking member on the Committee on Ways and Means, the gentleman from New York (Mr. RANGEL) has recognized the importance of this issue and I am pleased to be cosponsoring legislation, H.R. 1785, that would stabilize payments to hospitals for the indirect costs associated with graduate medical education.

In the areas of nursing homes, the major feature of the balanced budget agreement that has impacted skilled nursing facilities was the implementation of the Medicare perspective payment system for in-patient services and the establishment of caps on therapy services. The impact of these provisions could range from decisions by nursing homes to no longer provide services that are not adequately reimbursed to limiting the amount of services that a patient can receive. The prospective payment system has dramatically changed the way skilled nursing facilities approach Medicare patient admissions.

Now, skilled nursing facilities require more information prior to a Medicare admission because they have to assess the overall costs and compare that to the costs of reimbursement that they are receiving, and too many times this is keeping our frailest and sickest patients out of our nursing facilities.

The other obstacle to care that nursing facilities are facing is the arbitrary cap of $1,500 for therapy services. The Balanced Budget Act created a $1,500 cap for physical and speech therapy together, and another $1,500 cap for occupational therapy. These caps are way too severe. They are not allowing patients to receive the services that they need. Once the beneficiary reaches the cap, the nursing facilities must seek payment from the patient or decide whether or not to continue care. Our nursing homes need to lift the arbitrary therapy cap, and we need to reduce the cuts from the prospective payment services.

Finally, an area that has been hit extremely hard by the balanced budget agreement cuts, and that is the area of home health care. The Balanced Budget Agreement was expected to cut Medicare spending on home health by $16 billion, but earlier this year when CBO reestimated the Medicare budget baseline, that number had more than doubled. Right now, we are seeing Medicare payments to home health agencies reduced by over $48 billion. Not $16 billion, $48 billion. This is $32 billion more than Congress intended, and this needs to be addressed now. These numbers can be overwhelming when we look at what this means for patients.

Mr. Speaker, 28 agencies have closed in Michigan. Twenty-eight agencies have closed in Michigan, and over 2,400 agencies have closed nationally or have stopped providing service. I remember, Mr. Speaker, being on the floor a year ago, a number of us, working on this issue of home health care, organizing a national rally to address home health care cuts, and at that time we said there were 1,200 agencies that had closed and that if nothing was done, we would see that double. We do not want to be right about that, but in fact, it has doubled. I do not want to be here a year from now saying it has doubled again and people have lost their services and that families have found themselves in horrible situations as a result of trying to care for a loved one at home or, at the same time, finding themselves in a situation where someone needs to be placed back into the hospital or in a nursing home when they could, in fact, be at home or be with loved ones.

We have numerous examples, and I know my colleagues will speak to this as well.

What do our home health agencies need? We need to first eliminate the 15 percent cut that is currently scheduled for next year, October 2000. We need to establish a payment system to cover what are called outliers or the costliest and most expensive patients that are difficult right now for home health agencies to serve as a result of the cuts. We need to provide overpayment relief. We need to revise the per-visit limits to at least 108 percent of the medium which is simply right now just too low to cover the sickest and the frailest patients. And, we need to develop an equitable perspective payment system for home health.

We can achieve these goals. We can fix this problem. We have in front of us an opportunity. We are talking about budget surpluses for the next 10 years, not budget deficits. We have people that are not receiving health care in a country with the greatest health care systems available in the world, and yet too many are not able to receive them. We can fix this, and I am pleased tonight to be here with my colleagues that are going to share as well in their thoughts as they relate to how this affects their States.

Let me first call on the gentleman from Illinois (Mr. DAVIS) who has been one of the leaders as well on this question of restoring Medicare cuts. I am so pleased the gentleman is here this evening.

Mr. DAVIS of Illinois. Mr. Speaker, I thank the gentlewoman. Let me commend the gentlewoman for not only her leadership on this issue, but for the leadership that she has provided on a number of issues not only affecting your home State of Michigan, but actually affecting the lives of people all over America. I am indeed pleased and delighted to join with the gentlewoman tonight as we talk about this problem.

Mr. Speaker, the Balanced Budget Act of 1997 ushered in the largest cuts in Medicaid spending since 1981. Cuts estimated at $17 billion over five years, and $61.4 billion over 10 years. These cuts amount to and account for more than 9 percent of the supposed savings under the Balanced Budget Act. Two-thirds of the cuts in Medicaid are from reductions or limits on disproportionate share or additional reimbursements to hospitals. These are payments to hospitals serving a disproportionate share of low-income, Medicaid and uninsured patients. Ten-year cuts, $40.4 billion. Twenty percent of the reductions shift the cost of Medicaid deductibles and coinsurance while the very poor to physicians and other providers of care. Most of the remainder of the cuts come from the repeal of the Buyer amendment, requiring minimum payment guarantees for hospitals, nursing homes and community health centers. 10 years worth of cuts, $6.9 billion.

There were several other provisions which were particularly cruel. The phaseout of the health center cost reimbursement with 10-year cuts totaling $1.3 billion, and the counting of veterans' benefits as income with 10-year cuts totaling $200 million.

Mr. Speaker, as disastrous as these cuts are, they are not the end of the story, or even the worst of the story. The impact of the so-called Balanced Budget Amendment on Medicare has been even more staggering, and it is not an exaggeration to state that the long-term existence of Medicare is not guaranteed. The byzantine logic of the Balanced Budget Amendment extended the life of Medicare by slowing the rate of growth in Medicare's payments to providers and shifting some home health services out of Part A. But the Balanced Budget Amendment did nothing to fundamentally address the problem of insuring the health of future generations of seniors.

Medicare is based on the principle of spreading the risk for our seniors through a system of insurance funded through our tax system. Medicare has been one of the most successful Federal programs in our history. But now, Medicare faces new challenges, largely because we are living longer. By the year 2030, we expect that the number of beneficiaries will double, reaching a total of 76 million, or almost 20 percent

of our population. This has raised questions about how will we continue to fund the program.

The Balanced Budget Amendment shortsightedly attempts to address the problem by saying that the government can no longer afford to pay for health care for our seniors. The implication is that our Nation can no longer afford health care for seniors and that they should be left to fend for themselves for that portion of health care no longer covered by Medicare.

Most Americans, though, reject such a notion. We reject the notion that the wealthiest Nation in the history of the world cannot take care of the health of its seniors. This is an affront to those who have worked all of their lives. It is also not based on fiscal reality. By undermining the concept of a universal insurance pool for all seniors, these cuts actually will increase the inequities and costs in the system. The so-called unrestricted fee-for-service plan which removed the cap on what providers are allowed to charge and the Kyl amendment, which would allow providers to contract directly for services outside Medicare are direct attacks on the concept of a common insurance pool.

□ 1900

While we debate the future of Medicare, and I would note that a one-half of 1 percent increase in the payroll tax would extend the Medicare program another generation to the year 2032, but we have turned away from real solutions and the impact of our hospitals is exploding like a bombshell.

The 5-year impact of the balanced budget amendment will amount to $2.7 billion. Large urban hospitals will absorb more than $2 billion of those cuts in the State of Illinois alone.

The State of Illinois has 20 congressional districts. Thus, each district accounts for 5 percent of Illinois' population. However, my district, the 7th District, will absorb $468 million of the Medicare cuts. That is 16.9 percent of all the cuts in the State. Over the next 5 years, in my district, hospitals will absorb cuts that are equivalent to more than 75 percent of their 1997 base year Medicare payments, and tertiary teaching hospitals will absorb more than a billion dollars in cuts over the 5-year period.

So, I would say to the gentlewoman from Michigan (Ms. STABENOW), this problem exists all over America and as we move towards finding a solution, the solutions that the gentlewoman has articulated, the legislation that she and others of us have cosponsored, provides a tremendous opportunity to move ahead and arrive at real solutions to these problems.

So, again, I commend the gentlewoman for the leadership that she has shown, for bringing us here this evening to discuss this issue, and I trust that America will follow the lead of the gentlewoman and help us find solutions to this very serious problem, and I thank the gentlewoman.

Ms. STABENOW. Mr. Speaker, I thank the gentleman from Illinois (Mr. DAVIS) for his comments. I know that his State of Illinois is not unlike Michigan and all of us across the country right now are having those conversations with our hospitals and our nursing homes and home health facilities, and most importantly with our families that are represented and served by those providers who want to serve them, who are quality facilities but are finding themselves in very difficult situations as a result of the Congress. We can change that. It is up to us and it is long overdue.

I would like now to call on another colleague of mine from Illinois. Illinois is filled with wonderful leadership and I am so pleased to have a Member who has come to this body in her first term and has become an instant leader on a number of issues, the gentlewoman from Illinois (Ms. SCHAKOWSKY), who is here with us this evening to speak as well.

Ms. SCHAKOWSKY. Mr. Speaker, I thank the gentlewoman from Michigan (Ms. STABENOW) for yielding me this time. I would like to thank the gentlewoman from Michigan for her tireless work on this important issue and for organizing this discussion tonight and also to associate myself with the comments of my colleague from Illinois.

Recently, I joined him some days ago, speaking out on the need to restore payments for hospitals, particularly those hospitals that serve a disproportionate number of uninsured and poorly insured patients, and those that train medical professionals.

Unless we act now, Illinois hospitals and hospitals across the country will have insufficient resources to provide the quality and timely care that our constituents deserve.

I also wanted to say that there was a recent report by George Washington University researchers Barbara Smith, Kathleen Maloy and Daniel Hawkins which provides a clear warning signal that home health services are also threatened by the cuts that the balanced budget amendment had. Three million acutely and chronically ill senior citizens and Medicare beneficiaries with disabilities are depending on home health care services.

Hospital stays are getting shorter. More and more Medicare patients are being sent home with ongoing medical needs. In many cases, home health services, if available and appropriate, are cost effective substitutes for hospital and nursing home care. Despite the overwhelming and growing need for quality home services, the George Washington University study demonstrates that the interim payment system required by the balanced budget amendment is having adverse impacts. Because of cost constraints, the majority of home health agencies have already changed their case mix. They are looking for patients with less complex and less expensive problems, and they are avoiding patients that have more complicated and more expensive needs. In other words, those people who are most in need of home health services are most at risk of losing them.

The study concluded that in reaction to patient cuts, home health services are cutting staff but not just the administrative staff but specialists, such as occupational and speech therapists and, again, quality care is being compromised. Those payment cuts are having a serious effect on patients, and they are also costly. Evidence is mounting that without adequate home care more Medicare patients are being readmitted to hospitals and nursing homes, adding to health care costs. Clearly, we need to act now to restore home health service payments to adequate levels.

Before I conclude, I want to talk a little bit about the effect of payment cuts on hospice care. Many of us have had the experience of caring for a loved one who is terminally ill. My beloved father, Irwin Danoff, lived with me and my husband until he died in 1997, and we were fortunate enough to have hospice care provided by the wonderful people at the Palliative Care Center of the North Shore.

At a time of great need, hospice provided medical care and medical devices but so much more; the comfort, the dignity, the support and the respect not only for him but for our family as well. Half a million patients a year depend on hospice care. Since 1982, when the benefit was initiated, millions of patients have been able to die in dignity and in comfort because of hospice. Unless we act now to provide for payments, patients and families may be unable to get the care and support they need.

The hospice rate per day is supposed to cover all the costs related to terminal illness, including physicians, oversight services, counseling, prescription drugs, home health aides. It allows hospice providers to provide coordinated care and keeps patients and families from having to deal with multiple providers, at such an extremely critical and emotionally draining time. I speak from experience.

The plain facts are that the hospice daily rate has not kept pace with the cost of providing the hospice service. We believe that terminally ill patients should receive pain medication and pain management, which is what my father needed, to make sure that their final days are not days of agony. In 1982, when the hospice benefit began, it assumed the drug cost would account for 3 percent of the daily rate. In today's dollars, that equals about $2.50 a

day for pain medication, and that is just inadequate. In fact, on average the cost of providing drugs to hospice patients is between $12 and $14 a day. Some drugs may cost $36 a dose, like Duragesic, a pain relief drug, or Zofran, an effective anti-nausea drug. It costs $100 a day, but if a person needs it, they need it.

The resources are needed to make sure that with new technologies available to treat acute pain symptoms that those technologies actually get to those who need them. Not only does hospice make sense for patients, it makes sense for Medicare as a whole because it is such a cost effective way of providing care.

A 1995 Lewin study found, for example, that every dollar spent on hospice actually saves $1.52 in Medicare dollars that would otherwise be spent. I hope that we will act to provide adequate hospice payments. The first step would be to ensure that hospice providers receive their full Medicare update so that payments more accurately reflect actual costs. It is the compassionate thing to do. It is the medically appropriate thing to do. It is the right thing to do.

Again, I want to thank my colleague, the gentlewoman from Michigan (Ms. STABENOW), for organizing this discussion.

Ms. STABENOW. Mr. Speaker, I also thank the gentlewoman from Illinois (Ms. SCHAKOWSKY) for her comments. I am so pleased that she raised hospice. That is such an important service. In Michigan, I was pleased as a member of the State House of Representatives to help pass the law that we now have on the books in Michigan, and I know for my own family as well that hospice has been a very important service. When we look at all of these issues, it is the continuum of care we are talking about. Unfortunately, when we are not adequately funding one area it just moves over into the next. So we need to look at this comprehensively on behalf of families.

It is now my pleasure to turn to the gentleman from Massachusetts (Mr. MCGOVERN), who is a sponsor of H.R. 1917. The gentleman from Massachusetts (Mr. MCGOVERN) and I have been working together on this issue it seems like for a long time, too long, and I know that he is deeply involved and cares passionately about this, and I want to thank the gentleman for his leadership. He has been there since the beginning when we have been trying to resolve the issues, particularly around home health care. I want to thank the gentleman for his leadership.

Mr. MCGOVERN. Mr. Speaker, I appreciate those comments and I too want to commend the gentlewoman from Michigan (Ms. STABENOW) for her leadership and for her commitment on health care issues. I do not know anybody in this Congress who has fought harder for the rights of patients or for quality care for all more than she has. She really has done a great job not only for the people of Michigan but for the people of this country and I am really proud to be part of this special order tonight with her to talk about what we need to do to correct some of the imbalances in the Balanced Budget Act and how we can make sure the people get the quality health care that they deserve in this country.

Let me begin by saying that, in my opinion, Congress made a mistake back in 1997 when we passed the Balanced Budget Act. I voted against the Balanced Budget Act back then because I thought the cuts in Medicare were too deep, were too drastic, but I did not realize then and I do not think the most ardent supporters of the Balanced Budget Act realized then, that the cuts would be as deep or as drastic as they have turned out to be.

As has been pointed out, CBO has analyzed that the cuts are about $200 billion more than anticipated. That is a lot of money, even by today's standards. That means that hospitals and home health care agencies and other health services are being cut by $200 billion more than Congress even anticipated those cuts to be.

I think part of our job as legislators is to fix what is wrong. Even if we pass something that, with good intentions, if we look back on it and realize that mistakes were made we have to have the courage and we have to have the fortitude to fix it. I think this is one such case.

Now, there is not a person in this House who has not met with hospitals in their districts, who has not met with home health care agencies in their district or visiting nurse associations or people who run hospice centers or nurses or doctors or patients who have not complained about these cuts in the Balanced Budget Act.

In my State of Massachusetts hospitals will lose $1.7 billion over 5 years. That is a pretty hefty amount of money. The bad news is that they have yet to face 90 percent of the cuts. The worst is yet to come.

I have hospitals in my district, teaching hospitals and community hospitals, that are very good, that really I think are models of efficiency, that provide good quality care to the people who utilize them. They are getting frustrated with the remarks that come out of Washington that they just need to trim the fat a little bit more and everything will be okay. Well, to those who say that hospitals need to trim more fat, I would invite them to my district to tour through some of the hospitals that are located in my district and they will realize that there is no more fat to trim.

In fact, what hospitals are cutting back on now are programs that benefit the elderly, that benefit children, that benefit the neediest people in our communities. What hospitals are doing now is they are cutting back on their nursing staff. I was recently visited by a CEO of one of my hospitals who told me he used to make it a practice over the years to visit the various floors in his hospitals and talk to the nurses and try to find out what he needed to do to make their jobs easier, what he needed to do to make the quality of care provided to patients better.

□ 1915

He says that recently because of the cutbacks when he goes by and tries to talk to the nurses, they do not have time to talk to them. They are so overwhelmed, they are so overburdened with the patients because they are so short staffed that they do not have the time to talk to him anymore.

What is happening is that the quality of care that this hospital and other hospitals used to provide to patients is suffering. Nurses are doing a great job. They are doing an incredible job. But in too many hospitals, in too many health care facilities, they are being overworked. That is happening because of what we have done in this Congress, and we need to fix it. Again, it is not just teaching hospitals, it is community hospitals. Hospitals all across the country are paying a price.

Now, we also have a problem with home health care agencies. As the gentlewoman from Michigan (Ms. STABENOW) pointed out, we have been working on this issue since 1997.

Home health care was a wonderful phenomena. It allows families to stay together. If a loved one is sick, in the old days, before home health care, one would end up having to put that loved one into a long-term nursing care facility, because one was just incapable of being able to care for that person at home.

Home health care agencies or visiting nurse associations across the country have arisen, and they have allowed families to stay together. They have done so in a way that I think is very cost efficient.

Now, because of the cutbacks in the balanced budget act, in Massachusetts, since 1997, over 20 agencies have closed. When an agency closes, that means that that person, who used to rely on that agency for home health care, has to try to find another agency to provide the home health care; and, oftentimes, they cannot do it.

Oftentimes, they may be the sickest of patients, and they can have a difficult time trying to find another agency who will want to pick them up. Therefore, they are then forced to deal with the reality that they have to go into a long-term nursing care facility.

To those who think we are saving money, the reality is we are not. It is a heck of a lot cheaper to provide somebody home health care every single day of the week than it is to force

that person into a long-term nursing care facility.

So what we are doing here in Congress really is not controlling health care costs. What we are doing is actually inflating health care cost because the cost to care for these people is going to increase, not decrease.

I will say one other thing. If we do not fix this problem now, the governors of our States across this country are going to realize that Congress had just handed them a big unfunded mandate on their States, because when somebody goes into a long-term nursing care facility, that is funded mostly by Medicaid, and the States pay a large portion of that.

So when the governors of this country start to realize that their State budgets are going to have to take more and more of their resources and put it into Medicaid to pay for what is happening, and that is people going from homes into long-term nursing care facilities, we are going to see the switchboard up here on the Capitol light up, and justifiably so.

We should not be passing these costs on to the States. It is not fair. Every cost we pass on to the States means the States are going to have less money for education, less money for transportation, less money for the environment. It is simply wrong, and we need to do something about it.

I have introduced a bill, as the gentlewoman from Michigan pointed out, H.R. 1917, the Home Health Care Access Preservation Act, that would deal with providing coverage for the sickest patients, the so-called outliers, the patients that tend to be the most costly. We do not want those people to fall through the cracks.

This is a modest step to try to help deal with some of the adverse impacts of the Balanced Budget Act with regard to home health care. I hope that this Congress will act on it. We have over 100 cosponsors. It is a bipartisan list of cosponsors. We need to do something about that, and we need to do something now.

I will conclude here by simply posing a question as to whether or not we have the political will to fix this problem. We certainly have the resources. We certainly have the money. As the gentlewoman from Michigan pointed out, we are not dealing with deficits in 1999. We are dealing with surpluses.

The question is: What are our political priorities? Do we want to make sure that hospitals have necessary funding? Do we want to make sure that home health care agencies do not close? Do we want to make sure that hospices are adequately funded to make sure that health care facilities have the funds to be able to employ enough nurses and enough doctors?

If that is our priority, then we are going to act, and we are going to make sure that we have a budget that fixes some of the problems as a result of the Balanced Budget Act.

The other question is: Will the Republican leadership of this Congress allow us to fix some of the mistakes that were made in the Balanced Budget Act? Will they allow us to bring legislation to the floor? Will they allow us to have input on the budget so we can actually fix this problem? Or is it going to be business as usual? Are we going to let this thing just pass and more people will suffer as a result of it?

Make no mistake about it, if we do not fix this, we are going to see more and more hospitals close. When a hospital closes in the community, it is not easy for the people of that community. It is not easy just to go to the next hospital, because the next hospital may be several miles away.

When a home health care agency closes in an area, that means that people are going to lose their home health care and be forced with the difficult question as to whether or not to have to enter long-term nursing care.

When patients are denied care, when programs are closed, people suffer. I think that all of us in this Congress have heard loud and clear from our constituents all across this country about what the adverse impacts of this Balanced Budget Act have been. I think we have an obligation, we have a moral duty to fix it. We have an opportunity now to fix the inadequacies of the Balanced Budget Act. I hope that we do it.

I will be working and fighting alongside the gentlewoman from Michigan (Ms. STABENOW) who I know will be out there leading the fight, as she always has, to make sure that people get the quality care that they deserve. I again just want to thank her for all the wonderful work that she has done. Again, I meant it when I said it in the beginning, that I do not know of anybody in this Congress who has fought longer and harder for good quality health care for people than she has. I am proud to be here with her today.

Ms. STABENOW. Mr. Speaker, I thank the gentleman from Massachusetts. He is absolutely correct. This is a question of priorities. This is about our deciding what the priorities for the country are.

I remember a few months ago when colleagues in this House and Senate in the majority felt that the priority was a tax cut, a tax cut that was geared to the top 1 percent wealthiest individuals in the country, and they were able to pass a tax cut that took basically all of the on-budget surplus, almost $800 billion, much more than we are talking about here.

We are talking about less than a tenth of that, few percentage points of that to help with Medicare so that people have health care that they need when they need it. So the priority was to do that. The President said no. He vetoed that.

We now have an opportunity to come back and do what I know the gentleman from Massachusetts (Mr. MCGOVERN) and I have been saying all along, which is put Social Security and Medicare first. The first step with Medicare is to restore the cuts. We have to do that so that we can then go on to strengthen it.

I often think about the fact that, in my mind, Social Security and Medicare are great American success stories. Prior to Social Security, half of the American seniors were in poverty. Today, it is less than 11 percent. Prior to Medicare being enacted in 1965, half the seniors could not purchase insurance, could not get health insurance.

Today one of the great things about our country is that, if one is 65 years of age, one knows, or if one is disabled, one knows that one is able to have basic health care provided to one in this country. This is something we should be proud of. I do not understand why it is now, when we are faced with the opportunity to decide what our American priorities are for the next 10 years, why we are fighting with the majority to restore what everyone agrees were cuts that went too far.

Mr. MCGOVERN. Mr. Speaker, I just want to echo what the gentlewoman from Michigan has just said. When I go around to my district, what people are talking about is, not tax cuts for the wealthy, but they are talking about good quality health care for all. They are talking about expanding Medicare, which I have yet to find anybody who thinks that Medicare is a bad idea. Everybody in my district thinks it is a great idea. It is one of the most successful social programs in the history of this country. They want to expand Medicare to provide a prescription drug benefit. They would rather have a prescription drug benefit than see Donald Trump get a tax cut.

Those are the choices we are faced with right now. We have a surplus, as the gentlewoman pointed out. The resources are there. Are we going to take that surplus, invest it in Social Security, invest it in Medicare, make sure that hospitals have the funding that they need, make sure that we have enough nurses and doctors, make sure that our home health care agencies can stay strong, make sure that there is a prescription drug benefit for all Medicare eligible senior citizens? Are we going to do that, or are we going to blow this opportunity?

We have a moment in our history where, because of a good economy, we have this surplus. If we cannot fix these problems now, if we cannot extend some of these benefits now, then when will we be able to do it?

Ms. STABENOW. Mr. Speaker, I totally agree. I would much rather be here, as I know the gentleman from Massachusetts would, talking about how we modernize Medicare with the

prescription drug coverage than to say that we are here having to talk about restoration of cuts or hospitals closing, literally closing.

I do not think there is yet a total understanding of the depth of the cuts and the suffering and the struggle that is going on today; whole hospitals closing or maternity wards closing or home health agencies.

A wonderful agency that I have worked with in Brighton, Michigan, the first time I visited there, it was two floors with nurses, home health providers on two floors that were serving people in Livingston County. I went back after the BBA was enacted. It is now one floor. The other floor is totally empty.

What does that mean? That means those home health nurses, those individuals that were providing care to people in their homes are no longer available there to do that. It also means job loss. We are talking about supporting small business.

When a hospital closes, when Henry Ford Health Systems has to lay off or early retire 1,000 people, those people are caring for their families. We are not just talking about the care, we are talking about jobs, incomes, the ability of people to care for their own families. So this is serious.

My concern is that we have a very short window of opportunity now to fix this, 3 weeks, 4 weeks possibly, certainly just a matter of weeks. We know there are bills that have been introduced. There are people that are talking about the issue. We need to get beyond the talk. The gentleman from Massachusetts and I have been talking about this for a long time. It is now time to do something about it.

Mr. MCGOVERN. Absolutely. Mr. Speaker, one thing I hope that we do in this Congress is, not simply pass sense of Congress resolutions to say that we feel your pain, I hope we pass legislation that has some teeth in it, that actually puts some of the money back into hospitals and health care in this country.

People are suffering all over this country because of these cuts. And we have an obligation in this Congress to fix the problem and to take some of these resources that have been generated by a strong economy, that have produced this surplus, and put it back into health care to make sure that people have the very best health care in the world.

I mean, this is the United States. We have the finest health care technology, the best doctors, the best nurses, the best facilities in the world. The problem is that a lot of people cannot take advantage of them because they do not have the resources or the money to do so.

The gentlewoman from Michigan has heard from her constituents. I have heard from my constituents. People come into my office because their loved one has just lost their home health care or because their HMO will not reimburse a particular service that they had done because they are being told because Medicare reimbursements or because of caps on therapy, because of programs that hospitals have that are being cut off.

I mean, it is painful to watch as people come into our office and tell us these sad stories. But what is more frustrating than listening to these stories is the fact of knowing that we have the ability to fix this, and so far we have not done it.

I think we just need to keep the pressure on, and I hope that the people who are watching will keep the pressure on, because we have an opportunity to, right now. This budget deal should not go through unless there are some real fixes in there for hospitals. We are going to do a weekend here to fight the good fight.

I again thank the gentlewoman for this special order and for all of her great efforts.

Ms. STABENOW. Mr. Speaker, let me just say in conclusion as well, I again thank the gentleman from Massachusetts (Mr. MCGOVERN). I thank my other colleagues. To those that are having the opportunity to listen this evening, I would hope that they would pick up the phone and call their Representative, call their Senator, be involved, e-mail, mailings, whatever means they have of communicating. Now is the time to do that.

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We do have the best health care system in the world. But right now we are in a situation where we are jeopardizing people's health, people's quality of life, and in many cases, unfortunately, their lives. And it is not necessary. This is fixable. We can do something about it. Medicare works. It is a great American success story. We need to make sure we keep it that way.

FEDERAL GOVERNMENT BALANCES BUDGET WITHOUT DIPPING INTO SOCIAL SECURITY

The SPEAKER pro tempore (Mr. COOKSEY). Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. SCHAFFER) is recognized for 60 minutes as the designee of the majority leader.

Mr. SCHAFFER. Mr. Speaker, this evening I will lead a special order on behalf of the leadership of the majority party. Our focus tonight is to talk about a number of remarkable events that have occurred today, not the least of which was the announcement that the Federal Government has in fact balanced its budget for 1999 and it appears to have done so without dipping into Social Security at all.

This is a long-standing goal of the Republican party and one goal to which we are exceedingly proud to represent.

But before I get into that subject, I want to yield the floor to the gentleman from Michigan (Mr. EHLERS).

Mr. EHLERS. Mr. Speaker, I thank the gentleman for yielding. I do plan to participate in part of his discussion. But before we get into that, I just wanted to respond to the comments of the previous speakers on the issue that was being discussed and just give some additional comments.

Today, the gentleman from California (Mr. THOMAS) had a press conference at which he announced the development of a bill dealing with the Medicare issue and which the amount of money to be appropriated as well as administrative actions we are requesting be taken from the President will resolve the problem and will deal with all the issues and problems that were mentioned by the preceding two speakers.

I also want to clarify, as Paul Harvey says, to give the whole story; and that is that many of the points that they were belaboring the Republican party for are in fact a direct result of the actions of the President and of his employees, particularly those at the Health Care Financing Administration. They have cut far more deeply than the legislation the Republicans got through asked them to do.

As a result of that, the home health care agencies are severely in trouble, the rural hospitals and skilled nursing units are also in trouble, and even the major city hospitals are in trouble.

The other factor that should be mentioned is that the President, who does have the responsibility for this and who has criticized us for not acting on this, has not come to the Congress with any suggestions of how to deal with it and has not initiated any actions as a result of the problem, although much of it he could do administratively through requests directed to the Health Care Financing Administration.

So there is more to the story than was explained in the last 60 minutes, and I just want to make sure everyone in the House and in the Congress, as well as in our Nation, is aware of the fact. It is a broader story. The President has not acted as we think he should have.

Furthermore, the Health Care Financing Administration has cut more severely than the Congress intended; and Congress has taken action and will conduct a hearing on that, in fact, and final action on the bill in committee this week to ensure that the additional funds will be allocated for hospitals, skilled nursing units, and for home health care. We hope this will go a long way toward resolving the problem.

Mr. SCHAFFER. Mr. Speaker, reclaiming my time, I look forward to the return of the gentleman to continue discussing some additional topics.